UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF WISCONSIN

In re: Living Epistles Church of Holiness, Inc.,

Debtor.

Case No.: 19-25789-gmh

Chapter 11

OBJECTION OF DEMARYL R. HOWARD TO DEBTOR'S MOTION TO SELL REAL PROPERTY LOCATED AT 4022 AND 4038 NORTH 27TH STREET, MILWAUKEE, TO J & K REALTY FREE AND CLEAR OF LIENS, CLAIMS AND ENCUMBRANCES

Mr. Demaryl R. Howard ("Mr. Howard"), by and through counsel, hereby objects to the motion filed as Doc. # 126 in this case, to sell the real property located at 4022 and 4038 N. 27th Street (the "Property") to J & K Realty.

- 1. On 4/30/2020, US Bank Trust filed an Affidavit of Default (Doc. # 82) as evidence of default under the terms of a doomsday order (Doc. # 79). A proposed order was included in this filing, but that proposed order was not separately filed until 5/17/2020.
- 2. Mr. Howard is the Buyer in a Sale Contract signed by Debtor and Mr. Howard on 5/27/2020 to sell the Property to Mr. Howard. (Doc. # 104-1).
- 3. Mr. Howard agreed to purchase the Property for Three Hundred Fifty Thousand Dollars (\$350,000.00), which Debtor had stated was the appraised value of the Property.

- 4. The Sale Contract to sell the Property to Mr. Howard was approved by the Court (Doc # 118).
- 5. Under the Sale Contract, closing was set to occur by 7/20/2020, but did not occur on that date, as funds were not yet available from Mr. Howard's financer.
- 6. The Sale Contract did give Debtor the option to terminate the Sale Contact; however, Debtor did not terminate the Sale Contract.
- 7. Instead, Debtor agreed to extend the deadline for Mr. Howard to close the sale.
- 8. Debtor, through its President Terry Taper, advised Mr. Howard that Debtor was extending the deadline to close.
- 9. Debtor's attorney was also advised of this agreement to extend the closing date, and Debtor's attorney admitted that he was preparing a motion for court approval of this extension (See Doc. # 132, \P 6).
- 10. Mr. Howard did obtain financing, and was ready and able to close the purchase.
- 11. However, Debtor has subsequently breached the agreement by submitting a motion to sell the Property to J & K Realty.
- 12. Seller did not obtain the offer from J & K Realty until after Debtor had already agreed to extend the closing date for Mr. Howard to purchase the Property.

- 13. As such, Mr. Howard claims an interest in the Property and the right to complete the purchase of the Property under the Sale Contract.
- 14. Additionally, in recent weeks, Mr. Howard has discovered that the monthly rent for the Property may actually be \$2500 per month. Mr. Howard has been paying \$13,000 per month for what he believed to be monthly rent for the Property.
 - 15. At that rate, Mr. Howard has been paying for 5.2 months rent each month.
- 16. Accordingly, should the sale to Mr. Howard not be permitted to move forward as agreed by Debtor, Mr. Howard has a claim against or interest in the property for a right to the premises for a period of time equal to the amount of rent overpayment/prepayment at \$2,500 per month.
- 17. Mr. Howard objects to the sale of the property to J & K Realty free and clear of this interest.
- 18. For the reasons stated above, Mr. Howard respectfully requests that the Court grant the following relief:
 - Denial of Debtor's motion to sell the Property to J & K Realty;
 - Approval of the extended period to close the sale of the Property to Mr. Howard, as agreed by Debtor.

Dated: 8/17/2020. Respectfully submitted,

ATTORNEY BRYAN WARD LLC

Bryan M. Ward Attorney for Demaryl R. Howard

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Debtor. Chapter 11

CERTIFICATE OF MAILING

I, Bryan M. Ward, certify that on the date of 8/17/2020, copies of these documents— Objection; Certificate of Mailing—were mailed, properly enclosed in a postage paid envelope, or served electronically if the party accepts electronic service, to the following:

Via US Mail: Living Epistles Church of Holiness, Inc.

c/o Pastor Terry Taper 3401 N. 35th Street Milwaukee, WI 53216

J & K Realty

c/o James C. Hopson, Sr. and Lakinia E Hopson

205 Windsor Drive Waukesha, WI 53186

Via ECF: U.S. Bankruptcy Trustee

I declare under penalty of perjury that the information provided in this notice is true and correct to the best of my knowledge and belief.

Bryan M. Ward

5555 North Port Washington Road

Glendale, WI 53217

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